

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2429 - SB 2394

February 8, 2016

SUMMARY OF BILL: Requires each higher education institution, that accepts non-immigrant students who possess an F-1 or M-1 student visa, to provide a bi-annual report to the Department of Safety (DOS) including the number of such non-immigrant students enrolled at an institution; the number of such students who were enrolled at an institution at the beginning of each period of study; and the name and address of each student who was enrolled at the beginning of a period of study, but who were not enrolled at the end of a period of study.

Requires the DOS to develop a form that institutions shall use to make the report. Requires each institution to submit the first report by June 30, 2016, covering academic years 2012-2013 through 2015-2016.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant

Other Fiscal Impact - Federal funding allocated to higher education institutions may be jeopardized if institutions disclose without proper consent names and addresses of students, who are protected under the federal Family Educational Rights Protection Act (FERPA). Any reduction in federal funding would be at the discretion of the federal government and cannot be reasonably quantified. The Governor's budget projects state public higher education institutions to receive \$217,269,700 in federal funding in FY16-17.

Assumptions:

- Under the provisions of the federal Family Educational Rights Protection Act (FERPA), which is codified in 20 U.S.C. § 1232g; 34 CFR Part 99, a school is generally prohibited from disclosing personally identifiable information from an eligible student's education records to a third party unless the eligible student has provided written consent.
- The provisions of FERPA do contain an exception for institutions to release "directory information" that may include student names and addresses; however, FERPA requires such institutions to provide information to students about the student's right to opt-out of having their information published.

- Based on information from the Tennessee Board of Regents (TBR), release of student names and addresses by institutions to a third-party, without the student's consent, may be considered a violation of FERPA by the federal government.
- FERPA offenses may result in a reduction of federal funding to Tennessee public higher education institutions. Any such reduction would be at the discretion of the federal government and cannot be reasonably quantified. The Governor's budget projects state public higher education institutions to receive \$217,269,700 in federal funding in FY16-17.
- Public higher education institutions collect the names and addresses of students; visa status; and whether a student withdraws before the end of a term as part of their routine administrative duties. Any increase in state expenditures to compile and submit this report to the Department of Safety is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/rbp